

Intell

was question ever asked:

What are all our assets for info  
on SVN?

How many "experts"? — who  
when in gov  
agents? qualifications

SI

recon

analysts

VN-speakers

academic: consultants  
experts

newsmen

state reporters, analysts

Is there a basis for comparing knowledge and info on  
one country vs. another?



## Research on Intell

1. Shadow-pricing system for intell<sup>✓</sup>
2. Program budget for intell<sup>✓</sup>  
Cost data (e.g. "cost-price" of an N/E  
[That would motivate score-keeping].
3. Value of info: ~~IT~~  
conceptual analysis; study of past impact...
4. Same to focus on intell requirements  
(and educate intell analysts  
on decision problems?)
5. (Compare Witten on <sup>value of</sup> Meteorological Info)
6. Compare VCS to USIB in (a) style of communication  
("authoritative pronouncements")  
("90's/50's style" still for USIB?)  
[Note lack of <sup>clear</sup> interaction Congress + VCS: so that  
Pres. can't appear to ignore "military judgment."]
7. Interviews of high (past) users: <sup>exceptions of detail Comm</sup> rather limits on credibility, influence.
8. Analysis of past estimates: accuracy, clarity, timeliness,  
relevance, responsiveness, apparent impact.



look at surprises; Who was right?  
look at intell controversies; conflicts between intell and  
Then, outside beliefs

## Intell

1. Decision/org model: supply model of relevant reality for decision-making: what will happen if...

Transfer this from level of analyst to D.

2. How complete is transfer?

2. Or: opinions, info, tips, as data, evidence, for D.

(3) How accurately does D perceive A's "output," "views."

(4) How influential is it? What relative impact

How influential should it be? For national interest?

Compare relative record.

3. One VN, divergence of D from A <sup>has been</sup> so great

that one must question this transfer as goal of process.

What is the function of an NIE?

Of other intell exts?

4. Still, this is — or should be — any function of an NIE.

Clearly, a "communication failure"

and/or a "credibility gap"

(perhaps also an "attention gap")

and competing 'evidence': e.g. "common sense,"

operational estimates.

wishes, theories



5. - Arms-length relations (e.g. security)

- lack of mutual exposure (compare military: SA)
- lack of liaison (compare military)
- Committee org. of intell [like JCS]

"Protect authority" by smothering <sup>evidence</sup> reasoning,  
(on which, disagreement, doubt by readers)

- hiding disagreement

- fighting record-keeping

- addressing uncertainty: <sup>general, and</sup> differential

- "compromises" - to get united front

- ~~bridge~~ - lack of face-to-face, or staff, interaction

- words-of-art not defined

- Denial to hedge, protect refs

coziness

qualifications...

avoid post-mortems...

- Best problem (see 18)

6. Inadequate commens., & handling of:

- Uncertainty; adroitness of info, expertise

- controversy

- means and prospects and costs of ~~making~~

reducing uncertainty and controversy

- SA or SN/E-type analysis, esp. (2) political, (6) <sup>involving US</sup> stages



Belt: get away from intell analysts talking to intell analysts

7. Perceptions of D on these matters:

- does A know what they are?
- does A do anything about it?
- is there a dialog?

[What is D response to a bad, useless, est?  
to a wrong est?

8. Fear of dialog — intell getting into

Blocks to dialog

Value of info

Explicitness of model

Dialog

9. Leading to improvement (a) presentation (— more relevant, output  
— better understanding of "  
— better evaluation of output

(b) collection, analysis,

resolution of uncertainty.

Could cut down "regrets" by expressing  
uncertainty — e.g. "no one knows — now frankly,  
convincingly,



Who is in intell comm?

(Not SAC, Seminar, MACV still?) JCS  
("Wash level intell...") J-2  
SA

- Who is perceived by D as in intell?
- Whose mistakes diminish credibility of "intell"?
- Whose arguments create impression of "intell controversy"?
- Who forms a community? — mutual ams,

With what info<sup>parts</sup> is "intell" produced by "Intell Comm"?


— e.g., US/B — computing? Relativism report?

(Exp: esp., output of SAC still, J-2; Seminar  
MACV ops, SA, ISA.... still)

- Limitations of cables and estimates in educating  
new decision-makers?



- Interviews : e.g. out-of-office <sup>user + intell</sup> official (Clifford, Latham)

- Analysis of past estimates : language, content, "score"  
 McN... Komer

- Formulate other types or blocks to credibility, communications  
-- look at committee intell

- Models of intell process and function:

value of info

value experiments

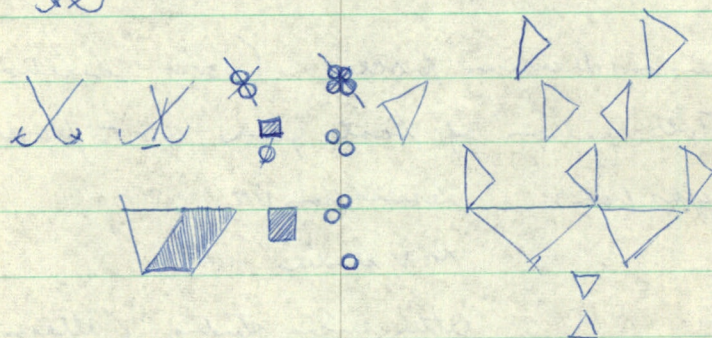
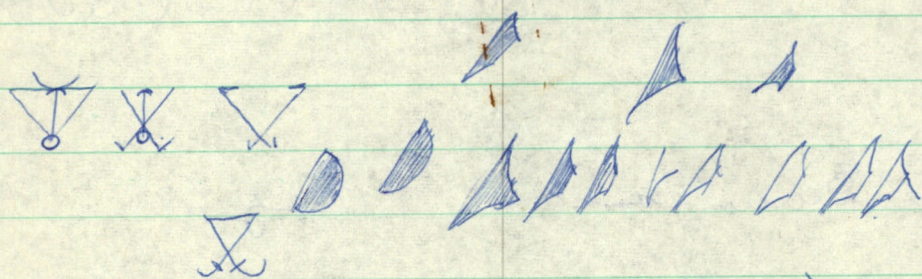
statistical inference and practice of statisticians

- Study apparent relevance and impact on decision of  
past intell outputs.

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Compare "rec pattern" to intell







## Decision Game

17 July 69

- Focus on decision process (b/c - "educational technique")  
Note "reaction" of past games w.r.t. process.
- Test hypotheses from:
  - Lessons from VN
  - MCN studies
  - Other crisis studies (Allison) (WSEG?)  
Kao, Berlin,
  - Org theory
  - Past game records
- Compare "blind" play to "modified, critiqued" play:  
Then, expand critique session:
  - ask Why?
  - What were you thinking, etc.
- Then, play again: or play on  
Might replicate
- Structure: High-level authority; staff; intell; "field"; control  
(Enemy?) [Opposing bureaus? Competing staffs?]
- Relate to intell game: same? Value of info.
- Aim at test of hyps; new hyps; experiment; ultimately,  
"teach" real authorities, change process.



Sample Hypo:

(a)  $RP_1$  (forces staff produces only one option)

Best Miserable Choice: May Work

(no costs, probs, impact of failure, what then)

(b) No checking of info, e.g. from field.

(c) Inadequate alternatives: no complaint from NCA's.

(d) Divergent views of NCA, staff, intell: effects.

[Why don't NCA's critique past "exercises";  
or study

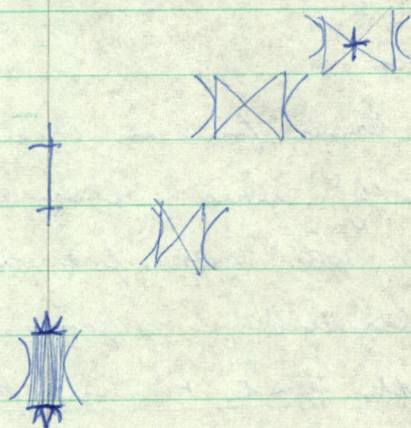
[Is objective to clarify aims, alternatives, etc. in  
substantive  
given area?

Or — to improve decision process, in general?

Or — to investigate it...

Only Theory <sup>Hypo:</sup> (a) not based on National Security data  
(b) Not tested







8  
Korea:

Korea focus on crisis management

Why crisis? Because not anticipated.

Why not? Bad forward planning: can't be addressed in a game. Foreign policy people can't manage programs

One can foresee (in past) blowups of Cyprus, Arab-Israeli

}

Shultz: That high people to construct a game, not to play it.

LLLLL

Weiner } org behavior  
Santoluc



AVW - Marshall: build bureaucratic conflict into  
the game. Have parties estimate each other's  
positions.

Ask for 0

Have a "staff" for each of several principals;  
have the fight for "their" proposal

[Treat NSSM-1 as a game?



AVW: How can make known shortcomings  
visible to decision-makers, so as to

- (a) change the personal styles
- or (b) win the support to institutional changes in  
decision system



Intelligence



Rex Brown: RH. Ann Arbor, Bayesian Conf  
June '69

1. Tendency of decision theory/OR groups in industry:  
Note "the problems they solve are not the problems  
management has"

partly (a) incentives of staff are for intellectually  
sound & definitive solutions, not to produce  
relevant, implementable results.

(b) time analyses take (problems have changed).

2. Experiments have shown that actual results are  
outside the "99% confidence interval" about  
40% of the time. I.e. if you are "certain"  
outcome will lie between  $X$  and  $Y$ : take these  
roughly as percentiles rather than 99% limits.  
(better: quintiles).

3. In some companies, decision theory (decision tree)



e.g. Pillsbury

4. A prediction (on which a decision is based) becomes a target: a base for judging management.

An "expected" value by operator is a target he feels sure he can beat.

He is very reluctant to see a "median" expectation be recorded as expectation: if he is 50% likely to fall below that, he foresees, <sup>.5 prob. of</sup> being censured.

5. Companies never take non-linear utility formally into account.

6. Companies prefer elaborate deterministic model using certainty-equivalents, than a simple model presenting uncertainty explicitly; they believe advantage of complexity outweighs cost of pretending certainty (and they can Monte Carlo deterministic model on computer).



[ DE Issues:

[VN]

1. Effect of operators' bias : and what companies do about it.

Brown: GE requires plant requests to be accompanied by prob. dist.

So companies do ask themselves what prob. dist. will "scraper buy", and what inputs are required.

Checks:

- (1) Negative incentives for bad estimates, <sup>retrospectively</sup>  
[ at least: could compare predictions, e.g. by Intell and Operators. ]

- (2) Top management can make estimates of bias

[ Congress, on OOD requests: but OOD can foresee this & adapt.

- Body count. ]



DE

1. VN: operators' ests and reporting  
vs. Intell (or "objective ests")

~~Agree~~

2. Is data used to change estimates?

Brown: Almost no example of prior/  
posterior analysis. (

But there are examples of pre-posterior  
analysis, in deciding whether to undertake research or  
experiment.

Perhaps: (a) Operator has strong intuition after  
new info comes in; is willing to reject implications  
of prior and likelihood function.

(b) But has little intuition about the  
value of information.



3. Why is stall est. ignored?

4. Note upon demand for "evidence."



Jack Zlotnick, CIA: (going to ANSER)

[1. How about using OT esp. in case of intell.  
controversy: likelihood frs., etc.; probes; hyps;

[2. Examine track record.

[3. Examine failures, surprises: Missile/bomber gaps,  
Cuba II, IRBM, uprisings,

[Consider McCone vs. analysts in Cuba II.]

Analysts are able to make quick judgments in  
Bayesian form.

- Problem: Effect of uncertainty of information on  
the use of likelihood-ratios vs. absolute  
probs.

- Problem of updating likelihood ratios over time  
(consider non-stationarity of process).

"We bet moving odds; if they shift, suspect non-stationarity."

[How about game-uncertainties: uncertainties of info  
based on contrary will generating info.]



Has DT affected expression/presentation of  
judgments?

DOT Intel Mus

- \$ - A Math Model for Intel Warning  
(Chen) Nov '67
- \$ - Bayes' Theorem - the Korean War  
mid-1968

Proctor